

1 YORAI (BENNY) BENZEEVI, M.D.
2 3500 West Olive Avenue
3 Suite 300
4 Burbank, CA 91505
5 Telephone: (818) 279-2744
6
7
8

9 **UNITED STATES BANKRUPTCY COURT**
10 **EASTERN DISTRICT OF CALIFORNIA, FRESNO DIVISION**

11 In re:
12 TULARE LOCAL HEALTHCARE
13 DISTRICT dba TULARE REGIONAL
14 MEDICAL CENTER,

15 Debtor.

Case No. 17-13797-9-B
Chapter 9

DC No.: WW-9

**DECLARATION OF YORAI (BENNY)
BENZEEVI, M.D. IN RESPONSE TO
THE MOTION FOR AUTHORIZATION
TO REJECT EXECUTORY
CONTRACT (MEDFLOW, PC)**

Date: January 11, 2018
Time: 9:30 a.m.
Place: 2500 Tulare Street
Fresno, CA 93721
Judge: Hon. René Lastreto II

19
20 I, Yorai (Benny) Benzeevi, M.D., declare:

21 1. I am the Managing Member of Healthcare Conglomerate Associates, LLC
22 (“HCCA”). HCCA is a California Limited Liability Company with its principal place of business
23 in Los Angeles and was, until November 22, 2017, the Manager of debtor Tulare Local
24 Healthcare District dba Tulare Regional Medical Center (“District” or “TRMC”). Prior to
25 HCCA serving as Manager to the District in January 2014, I served as Director of the Emergency
26 Department at TRMC from 2007 until December 2013. I received my medical degree at the
27 University of California, Davis and I am board certified by the American Board of Emergency
28 Medicine and I hold the status of Fellow of the American College of Emergency Medicine.

1 Based on the foregoing positions, I have extensive knowledge of the District and its governance
2 and operations, HCCA's contracts and the performance thereunder, and the relationship between
3 the District and HCCA.

4 2. I also am the President of Medflow PC ("Medflow"). I make this declaration in
5 response to the District's Motion to Reject Executory Contract (Medflow, PC) ("Motion" to reject
6 the District's "Agreement" with Medflow). Medflow does not oppose the Motion; rather I
7 submit this declaration in response to a number of incorrect statements contained in the
8 Declaration of Sanford Haskins (Chief Administrative Officer) in support of the Motion
9 ("Haskins Declaration").

10 3. Paragraph 9 of the Haskins Declaration incorrectly describes the services rendered
11 by Medflow for the District. In addition to providing the District with experienced
12 administrative/medical directors, Medflow provided, among other things, the following services:

- 13 • Assistance to TRMC in operational administrative oversight of the Emergency
14 Department;
 - 15 • Assistance in recruiting physicians;
 - 16 • Recommendations as to qualified non-physician personnel;
 - 17 • Recommendations as to additions to and/or revisions of policies and procedures
18 pertaining to the Emergency Department;
 - 19 • Assistance to TRMC in the development and implementation of patient care protocols
20 and a medical staff development plan;
 - 21 • Assistance in accreditation surveys of the Emergency Department;
 - 22 • Assistance in management of services furnished through contractual arrangements;
 - 23 • Assistance in providing educational and risk management programs;
 - 24 • Assistance in increasing productivity;
 - 25 • Assistance in establishing best practices;
 - 26 • Assistance in conducting quality assurance;
- 27
28

- Utilization review; and
- Assistance in special projects.

4. At no time after HCCA began providing services under the now-rejected Management Services Agreement in January 2014, did I serve as Medical Director of the Emergency Department or in any capacity in the Emergency Department.

5. At no time after HCCA began providing services under the now-rejected Management Services Agreement in January 2014, have I collected any Medical Director fees from the District.

6. Medflow does not oppose rejection of the relevant agreement because it recognizes that the Bankruptcy Code authorizes rejection of an executory contract in the exercise of a debtor's business judgment even if such judgement may result in harm to the debtor. The notion in paragraphs 12 and 13 that the District will save money by rejection the Medflow agreement is incongruent with current emergency department contracts and practices. Based on my experience described in paragraph 1 of this declaration, I strongly believe that current emergency department contracts will cost the District on average 200% or more than would the Medflow agreement. Nor will the District save money because it will still have to employ a medical director for the Emergency Department. A review of the Medflow agreement and the two prior emergency department contracts will show definitively that Medflow provided the District with substantial savings that the District will be unable to replicate if and when the hospital re-opens.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed this 28th day of December, 2017 in Visalia, California.



Yorai (Benny) Benzeevi, M.D.